

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.SB/SN/12

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Special distribution

Original: Spanish / French

Surveillance Body

STANDSTILL

Notification

1. Participant notifying: Chile

2. Participant maintaining the measure: European Economic Community

3. Description of the measure (including date of entry into force and reference to any relevant legislation or other document):

On 3 February 1988, by Regulation No.346/88, the Commission of the EEC established a licensing system for imports of dessert apples for the purpose of monitoring such imports from third countries, particularly from the Southern hemisphere, during the period from 15 February to 31 August 1988. Later, on 12 April, the Commission of the EEC adopted Regulation No.962/88, amended by Regulation No.984/88 of 14 April, by which it unilaterally suspended the issue of licences to Chile.

Subsequently, on 20 April 1988 the Commission, by Regulation No.1040/88, adopted a quota system for all Southern hemisphere suppliers during the period in question, while maintaining the prohibition on the issue of licences for apples from Chile by setting a quota that coincided with the volume of licences authorized at the date of the suspension.

4. Products covered, including tariff headings (CCCN where applicable, otherwise national tariff lines):

Combined nomenclature 0808 10 91, 0808 10 93 and 0808 10 99, fresh apples from 1 August to 31 December, from 1 January to 31 March and from 1 April to 31 July respectively.

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5. Country or countries to which the measure applies:

The import licensing and the quotas apply to: Chile, Argentina, New Zealand, South Africa and other suppliers.

The suspension of the issues of licences was applied only to Chile.

6. Relevance of the measure to the standstill commitment:

The suspension of licences for Chile and the establishment of a quota system for all the above-mentioned suppliers constitutes a failure by the EEC to comply with its obligation not to take any trade restrictive or distorting measure inconsistent with the provisions of the General Agreement or the Instruments negotiated within the framework of GATT or under its auspices, standstill commitment, paragraph (i).

7. Comments by the participant maintaining the measure:

The European Economic Community considers that this measure is not in breach of paragraph (i) of the standstill commitment. On 22 April 1988 (document L/6337) it notified that the measure would apply erga omnes until 31 August 1988, and that it had been taken under Article XI:2.

This measure is currently the subject of Article XXIII dispute settlement proceedings.

The Community furthermore recalls that, as stated in paragraph 3 of its notification, it remains prepared to enter into discussions with any contracting party having a substantial interest in exports to the Community.